

SENATE BILL 3496

By Tate

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 1; Title 49, Chapter 2; Title 49, Chapter 3; Title 49, Chapter 5 and Title 49, Chapter 6, relative to local education agencies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 2, Part 1, is amended by adding the following language as a new section:

§ 49-2-127. Notwithstanding any law to the contrary, before a referendum on the abolition or dissolution of an LEA or transfer of administration of an LEA to another school system may occur under § 49-2-501, § 49-2-502 or § 49-2-1002, the local boards of education of the affected systems shall meet and plan for transition funding, and specifically for the funding of maintenance of effort by the school system that will serve the students of the LEA to be abolished, dissolved or transferred. The commissioner shall examine and approve the plan for transition funding before the referendum may occur. If no agreement can be reached on the plan for transition funding, then the commissioner shall establish the plan for transition funding.

SECTION 2. Tennessee Code Annotated, Section 49-2-502(b), is amended by adding the following language as new subdivision (4):

(4) If no plan for transition funding was adopted pursuant to § 49-2-127 prior to the occurrence of the referendum under subsection (a), then the comprehensive transition plan required under subdivision (2) shall address the transition from maintenance of effort by the special school district and the county school system individually to maintenance of effort by the county system after the transfer is complete. The commissioner shall approve the method of transitioning from funding maintenance

of effort by the two (2) LEAs to funding maintenance of effort by the county school system before it is adopted.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.